

ATHENAHEALTH INC

Form 8-K

March 17, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **March 11, 2011**

athenahealth, Inc.

(Exact name of registrant as specified in its charter)

Delaware

001-33689

04-3387530

(State or other jurisdiction (Commission (IRS Employer
File Number) Identification No.)
of incorporation)

311 Arsenal Street, Watertown, MA

02472

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **617-402-1000**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On March 11, 2011, athenahealth, Inc. (the “Company”) and International Business Machines Corporation entered into an amendment (the “Amendment”) to the Professional Services Agreement, dated October 2, 2009 (the “PSA”). The Amendment is effective as of January 1, 2011, and provides for, among other things, (i) the initial term of the PSA to continue until December 31, 2015; (ii) an economic cost adjustment for the purposes of pricing and to reflect changes in the cost of living; (iii) updated annual charges; and (iv) revised termination fees in the event of a termination of the PSA for convenience by the Company.

The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by reference to the Amendment, which will be filed as an exhibit to the Company’s Quarterly Report on Form 10-Q for the quarter ending March 31, 2011, with portions omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

athenahealth, Inc.

(Registrant)

March 17, 2011 /s/ DANIEL H. ORENSTEIN

Daniel H. Orenstein

SVP, General Counsel, and Secretary